

IN THE CLAIMS

1. (previously presented) A point-of-sale (POS) check service system comprising:
 - device means for receiving checking account information from a paper check of a customer, and for receiving an amount concerning a sale to said customer, said checking account information and said amount being collectively transaction information, said paper check not being used as a negotiable instrument and being returned to said customer;
 - a host computer arranged to receive said transaction information from said device means and to forward it into said POS check service system;
 - a switch computer arranged to receive said transaction information from said host computer and to further route said transaction information;
 - a drawee bank which receives said transaction information from said switch computer, said paper check being provided to said customer by said drawee bank and a checking account corresponding to said checking account information being maintained at said drawee bank, thereby enabling said drawee bank to perform parsing and subsequent conversion, verification and guarantee without having to rely on third-party data;
 - a drawee computer of said drawee bank that receives said transaction information and is capable of performing conversion, verification and guarantee based upon said transaction information, said drawee computer further arranged to return a response message to said host computer indicating the result of one of said conversion, verification and guarantee, said drawee computer is further arranged to receive said checking account information in the form of raw MICR data and to parse said checking account information to obtain a transit routing number and an account number of the customer, whereby parsing occurs reliably at a drawee bank and not at said device means; and
 - a telecommunications network used for communications between said host computer, said switch computer and said drawee computer that provides online, real-time communications between said computers.
2. (cancelled)

3. (original) A POS check service system as recited in claim 1 wherein said device means includes a magnetic ink character recognition (MICR) device through which said paper check is swiped and a merchant point-of-sale terminal into which said amount may be entered.
4. (original) A POS check service system as recited in claim 1 wherein said drawee computer is further arranged to perform conversion only, conversion with verification or conversion with guarantee based upon said transaction information.
5. (cancelled)
6. (original) A POS check service system as recited in claim 1 further comprising:
a service request message delivered to said switch computer which includes said transaction information and an indication of whether conversion only, conversion with verification or conversion with guarantee is desired.
7. (original) A POS check service system as recited in claim 6 wherein said service request message includes a settlement code indicating how settlement will occur, thereby accommodating any customer bank and any type of service request.
8. (original) A POS check service system as recited in claim 6 wherein said service request message includes a unique transaction identifier that ties together related transactions in a transaction set.

9. (previously presented) A point-of-transaction check service system comprising:
device means for receiving checking account information from a paper check of a customer and for receiving an amount representing a monetary transaction which is to be deposited into a depositing account, said checking account information, said amount and a depositing account being collectively transaction information, said paper check not being used as a negotiable instrument;

a host computer arranged to receive said transaction information from said device means and to forward it into said point-of-transaction check service system;

a switch computer arranged to receive said transaction information from said host computer and to further route said transaction information;

a drawee bank which receives said transaction information from said switch computer, said drawee bank maintaining a customer bank account identified by said checking account information from which said paper check of said individual is drawn upon, thereby enabling said drawee bank to perform parsing and subsequent conversion, verification and guarantee without having to rely on third-party data; and

a drawee computer of said drawee bank that receives said transaction information and is capable of performing conversion, verification and guarantee based upon said transaction information, said drawee computer further arranged to return a response message to said host computer indicating the result of one of said conversion, verification and guarantee, wherein said drawee computer is further arranged to receive said checking account information unparsed and to parse said checking account information to obtain a transit routing number and an account number of the customer, whereby parsing occurs reliably at a drawee bank and not at said device means; and

a telecommunications network used for communications between said host computer, said switch computer and said drawee computer that provides online, real-time communications between said computers.

10. (original) A point-of-transaction check service system as recited in claim 9 further comprising:

a financial institution holding said depositing account, to which said amount is deposited depending upon the result of said conversion, verification or guarantee.

11. (cancelled)

12. (original) A point-of-transaction check service system as recited in claim 9 wherein said drawee computer is further arranged to perform conversion only, conversion with verification or conversion with guarantee based upon said transaction information.

13. (cancelled)

14. (original) A point-of-transaction check service system as recited in claim 9 further comprising:

a service request message delivered to said switch computer which includes said transaction information and an indication of whether conversion only, conversion with verification or conversion with guarantee is desired.

15. (original) A point-of-transaction check service system as recited in claim 14 wherein said service request message includes a settlement code indicating how settlement will occur, thereby accommodating any customer bank and any type of service request.

16. (original) A point-of-transaction check service system as recited in claim 14 wherein said service request message includes a unique transaction identifier that ties together related transactions in a transaction set.

17. (currently amended) A method of performing a transaction at a point of sale, said method comprising:

~~a step for performing the function of~~ receiving checking account information from a paper check of a customer **having magnetic ink character recognition (MICR) data at a device at the point of sale;**

translating one or more separators in the MICR data into alphanumeric characters at the point of sale;

entering an amount of said transaction into ~~a terminal~~ **the device;**

assembling a service request message that includes said checking account information, said amount and a request to perform a type of conversion operation, wherein the possible types of conversion operations include conversion only, conversion with verification and conversion with guarantee **and wherein the service request message is assembled into a desired format;**

sending said service request message to a switch computer **of a service organization** arranged to receive and to further route said service request message **wherein the desired format of the service request message is changed to a standard format of the service organization and,** wherein said checking account information is received in ~~raw magnetic ink character recognition [(MICR)]~~ data format from said point of sale and is sent to a drawee bank in order to parse said checking account information to obtain a transit routing number and an account number of the customer, whereby parsing occurs reliably at said drawee bank and not at said point of sale;

performing exclusion checking on the service request message using an exclusion table and without parsing the MICR data;

receiving a response message via said switch computer indicating a response to said request to perform said type of conversion operation wherein the response can be responsive to any of the conversion operations of conversion only, conversion with verification and conversion with guarantee;

returning said paper check to said customer, said paper check not being used as a negotiable instrument;

determining a mode of settlement of said transaction at a time concurrent with sending said checking account information to said drawee bank, said determining performed by said switch computer; and

performing said steps of sending and receiving over a telecommunications network that provides online, real-time communications while said customer waits at said point of sale for said response message.

18. (previously presented) A method as recited in claim 17 wherein said step for performing the function of receiving includes:

swiping a paper check of a customer through a device to obtain said MICR information from said check.

19. (cancelled)

20. (previously presented) A method of processing a paper check transaction occurring at a point of sale, a monetary amount originating at said point of sale and said paper check providing checking account information, said method comprising:

- receiving a service request message from said point of sale, said service request message including said checking account information, said monetary amount and a request for a type of check service;
- determining whether a portion of said checking account information matches with one of a plurality of participating banks;
- determining whether said request for a type of check service matches with a service provided by one of said banks;
- determining where to route said service request message;
- sending said service request message to a participating bank that is equipped to handle said request for a type of check service, wherein said checking account information is received in raw magnetic ink character recognition (MICR) data format from said point of sale and is sent to said participating bank in order to parse said checking account information to obtain a transit routing number and an account number of the customer, whereby parsing occurs reliably at said participating bank and not at said point of sale;
- receiving a response message to said service request message from said participating bank;
- sending said response message to said point of sale indicating the result of said request for a type of check service, whereby said paper check is not used as a negotiable instrument and is returned to said customer;
- determining a mode of settlement of said paper check transaction at a time concurrent with sending said checking account information to said participating bank, said determining performed by a service organization; and
- performing said steps of receiving and sending over a telecommunications network that provides online, real-time communications while said customer waits at said point of sale for said response message.

21. (cancelled)

22. (original) A method as recited in claim 20 wherein said request for a type of check service includes a request for conversion only, conversion with verification or conversion with guarantee.

23. (cancelled)

24. (original) A method as recited in claim 20 further comprising:
adding a settlement code indicating how settlement will occur to said service request message, thereby accommodating any customer bank and any type of service request.

25. (original) A method as recited in claim 20 further comprising:
adding a unique transaction identifier to said service request message, thereby tying together related transactions in a transaction set.

26. (previously presented) A POS check service system as recited in claim 1 further comprising:
a customer bank account from which said paper check of said customer is drawn upon, wherein said drawee computer can access said customer bank account in order to perform conversion, verification and guarantee.

27. (previously presented) A method as recited in claim 17 wherein said switch computer routes said service request message to a drawee bank, said drawee bank maintaining a customer bank account from which said paper check of said customer is drawn upon.

28. (previously presented) A method as recited in claim 27 further comprising:
accessing said customer bank account, by said drawee bank, in order to perform any of the conversion operations of conversion only, conversion with verification and conversion with guarantee.

29. (previously presented) A method as recited in claim 28 wherein drawee bank accesses said customer bank account in order to verify that said customer bank account is valid.

30. (previously presented) A method as recited in claim 29 wherein drawee bank further accesses said customer bank account in order to verify that said customer bank account contains an amount of money that is equal to or greater than said amount of said transaction entered into said terminal.

31. (previously presented) A point-of-sale (POS) check service system comprising:
device means for receiving checking account information from a paper check of a customer, and for receiving an amount concerning a sale to said customer, said checking account information and said amount being collectively transaction information, said paper check not being used as a negotiable instrument and being returned to said customer;
a host computer arranged to receive said transaction information from said device means and to forward it into said POS check service system;
a switch computer arranged to receive said transaction information from said host computer and to further route said transaction information;
a drawee bank which receives said transaction information from said switch computer, said paper check being provided to said customer by said drawee bank and a checking account corresponding to said checking account information being maintained at said drawee bank, thereby enabling said drawee bank to perform parsing and subsequent conversion, verification and guarantee without having to rely on third-party data;
a drawee computer of said drawee bank that receives said transaction information and is capable of performing conversion with verification based upon said transaction information, said drawee computer further arranged to return a response message to said host computer indicating the result of said conversion with verification, said drawee computer being further arranged to receive said checking account information in the form of raw MICR data and to parse said checking account information to obtain a transit routing number and an account number of the customer, whereby parsing occurs reliably at said drawee bank and not at said device means; and
a telecommunications network used for communications between said host computer, said switch computer and said drawee computer that provides online, real-time communications between said computers.

32. (cancelled)

33. (previously presented) A POS check service system as recited in claim 31 further comprising:
a customer bank account from which said paper check of said customer is drawn upon, wherein said drawee computer can access said customer bank account in order to perform conversion with verification.